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KRESS

S. H. KRESS & COMPANY ANNUAL REPORT

1957

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COVER: 444 FIFTH AVENUE, NEW YORK CITY STORE

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S. H. KRESS & COMPANY

BUYING-ADMINISTRATIVE OFFICES

114 FIFTH AVENUE, NEW YORK 11, N.Y.

DIRECTORS

R. H. Kress

C. G. Trammell
W. B. Sutherland
O. V. W. Hawkins
H. L. Spencer
C. L. Abry
C. M. Funk

OFFICERS

CHAIRMAN OF THE BOARD	R. H. Kress
PRESIDENT	C. G. Trammell
VICE PRESIDENT AND TREASURER	C. M. Funk
VICE PRESIDENT	W. B. Sutherland
VICE PRESIDENT	C. L. Abry
VICE PRESIDENT	G. N. League
VICE PRESIDENT	F. J. Pollard
VICE PRESIDENT	J. W. Cubbison
VICE PRESIDENT AND SECRETARY	O. V. W. Hawkins
CONTROLLER	D. C. Wells
ASSISTANT TREASURER	W. M. Weaver
ASSISTANT TREASURER	L. K. Guiler
ASSISTANT SECRETARY	C. H. Williamson

GENERAL COUNSEL:	*DUER, STRONG & WHITEHEAD, New York, N. Y.*
TRANSFER AGENT:	*BANKERS TRUST COMPANY, New York, N. Y.*
REGISTRAR:	*CHEMICAL CORN EXCHANGE BANK, New York, N. Y.*

TO OUR STOCKHOLDERS:

February 20, 1958

This is the annual report of the operations of your company for the year ending December 31, 1957.

Six years ago your management set out on a comprehensive program of modernization, enlargement and conversion to self-service of the existing stores. During 1957 this program was substantially accelerated with work being completed on 53 stores, almost twice as many as in 1956.

Since 1952, ninety-three of your company's 261 stores have been remodeled, increasing the selling area by 568,150 square feet or 22%. Ten new stores have been opened in that period. Modernization of 25 additional stores is now in progress, 13 of which are nearing completion. Under the 1958 program, work will be started on a substantial number of additional stores to be modernized and enlarged in the latter part of the year or early 1959.

Although none of the stores was closed during alterations, sales last year were affected. However, the improved facilities should have a very favorable effect on sales in the years ahead.

During 1957 total sales amounted to $158,570,785 or a decline of 5.4% as compared with 1956. Sales for 1957 reflect loss of volume attributable to partial closing of 53 stores while remodeling work was in progress, the general economic trend and the generally disappointing holiday business during November and December. Nevertheless, the average sales per store were $607,551 last year.

Net earnings after deduction of Federal income taxes totaled $7,130,343 in 1957. This represented $3.00 per share compared with the 1956 figure of $3.48 on each of the company's 2,375,834 shares of common stock outstanding.

Earnings were affected by the continued increase in all costs of doing business, and by the decline in sales. This was particularly true in those stores where renovation work was done resulting in the necessity of moving stock, and in otherwise increasing normal operating expenses.

In 1957, wages continued their upward surge throughout the country. Freight rates alone increased approximately 10%. During 1957 taxes continued to cut heavily into earnings, amounting to $4.97 per share during the year.

The earnings record of your company over the years has consistently been one of the highest in the variety store industry. In 1957 it was 4.5 cents per dollar of sales.

During the last six years the book value of each share of common stock has increased steadily each year. In 1952 it was $39.62 per share, while in 1957 it was $43.87. The retention and use of earnings for the extensive modernization and conversion program accounted for this increase.

Over the years your company has consistently paid out a high percentage of its annual earnings in dividends. During 1957 your company paid four quarterly dividends of 50¢ each for a total of $2.00. This represented 66⅔% of net earnings after taxes.

The accelerated program of modernization and conversion of existing stores which your management has undertaken is of major importance to the present and future profitable operation of your company.

The upgrading of merchandise which involved the addition of many items never contemplated when most of the stores were originally constructed and equipped, required extensive rearrangement and replacement of display facilities, as well as an increase in sales display space.

FINANCIAL HIGHLIGHTS

	1957	*1956*
Sales	$158,570,785	$167,635,545
Average Sales Per Store	$607,551	$644,752
Number of Stores	261	260
Number of Self-Service Stores at December 31	79	26
Earnings Before Federal Taxes on Income	$14,670,343	$16,918,165
Net Earnings	$7,130,343	$8,258,165
Cents Per Sales Dollar	4.5¢	4.9¢
Earnings Per Share	$3.00	$3.48
Dividends Per Share	$2.00	$2.50
Earnings Retained for Use in the Business	$2,378,675	$2,318,580
Depreciation and Amortization	$3,168,457	$2,850,579
Working Capital	$24,382,619	$29,535,123
Capital Expenditures	$10,539,000	$6,358,000
Taxes: Federal, State and Local	$11,812,785	$12,766,973
Cents Per Sales Dollar	7.5¢	7.6¢
Wages, Salaries, and Other Employe Benefits	$34,197,989	$34,469,304
Cents Per Sales Dollar	21.6¢	20.5¢
Number of Stockholders at December 31	11,704	11,651
Book Value of Common Stock – per share	$43.87	$42.87

Your management has always felt that its primary objective should be to realize the full potential of each of our present stores. These stores are established in the most desirable business locations in 238 cities in 29 states and Hawaii. Until this potential source of increased business has been fully developed and all of the present stores have been modernized, it has been, and is our belief that this is where our

primary effort must be concentrated.

Obviously a program as extensive as this requires considerable time to complete. It has been speeded up during the past year as previously stated.

It is important to note that this modernization and expansion program has been accomplished without recourse to long-term indebtedness. Despite the heavy outlays of cash for these expenditures, working capital at the end of 1957 was $24,382,619.

It is estimated that it will require from two to three years to complete the modernization of remaining stores. In anticipation of the completion of this phase of the program, greater emphasis is being placed on the acquisition of new locations, including shopping centers which appear favorable for profitable operation.

In the post war period one of the most important tasks confronting your management has been the development of a strong and flexible organization. This has meant reassignment of personnel and realignment of duties, to obtain the most effective merchandising, selling and administrative organization possible. While considerable progress has been made, this is a continuing effort that requires and receives our constant attention.

For more than half a century Kress stores have been an integral part of many cities throughout the United States. Our primary responsibility has been to supply the buying public in the communities with a wide range of quality merchandise at the lowest possible selling price. We have also encouraged our managers to participate actively in local community affairs.

As a result Kress managers and other personnel actively support the work of such organizations as the Red Cross, Community Chest, 4H Clubs, Scout organizations and other charitable activities. Today the Kress store is considered an important part of the community.

Over the years there has been a steady increase in the number of owners of Kress stock. In the last ten years the number of investors owning Kress stock increased to 11,704, or almost 37%, reaching an all-time peak during 1957.

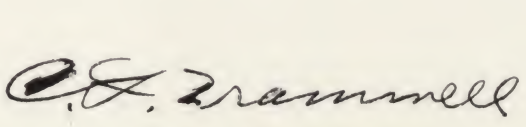
This expression of confidence by the investing public is a source of satisfaction to your management.

In view of this rise in the number of stockholders, and the continually growing interest in the operation of the company, your Board of Directors voted to facilitate stockholder participation at the annual meeting for the current year by soliciting proxies. It is our hope that you will take advantage of this opportunity to vote on the matters to be acted upon at this meeting.

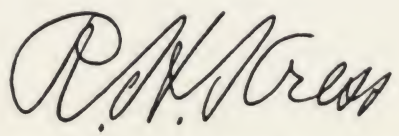
Through our modernization program, our upgrading of merchandise, and emphasis on a steadily improved sales and merchandise organization, your management is dedicated to continue your company as a leader in the variety store industry.

Should you have an opportunity, we hope you will visit our newly modernized stores in your area so you can observe personally what is being accomplished through our modernization program.

Yours sincerely,



PRESIDENT



CHAIRMAN OF THE BOARD

YOUR COMPANY

THE FIRST KRESS STORE, MEMPHIS, TENN. (1896)

THE NEWEST KRESS STORE, HEMPSTEAD, N. Y. (1957)

The year 1957 marked the 61st anniversary of the opening of the first Kress variety store in Memphis, Tenn. This store during its first full year of operation had total sales of $31,000 which for those days was a substantial volume. It was designed to meet the needs of the times — a retail outlet that could and would supply necessities at lower prices than had previously prevailed.

The Kress concept of a variety store was not simply a place where five and ten cent items were assembled from jobbers and offered to the public, but a store where quality merchandise would be available at the lowest prices possible. The founders did not wait for the supplier to come to them with these items. They felt it was their responsibility to determine the type of merchandise in demand in the community and then to secure sources of supply to meet these needs.

The Kress Company was not committed even at that time to the hard and fast 5 and 10¢ limitations that restricted the operations of other stores of this type. Very early the possibilities and advantages, both to your company and to its customers were recognized, for expanding the Kress line to include items up to 25¢. Indeed, almost from the outset, Kress store fronts bore the legend "5, 10 and 25¢."

Equally important were the merchandising methods and high standards of operation which were employed in Kress stores to give dignity and stature to the merchandise on sale.

The opening day windows in the Memphis store which featured 5¢ saucepans in one and 5¢ jugs in the other set a pattern for concentrated selling.

While the variety store has undergone revolutionary changes in recent years, the basic Kress concept remains the same.

Vision and practical merchandising skill are the underlying principles on which your company has grown and prospered over the intervening years. Your management has recognized that only through progress and enterprise can any company go forward.

It is to the continuation of that spirit of enterprise and progressive merchandising that your management is dedicated.

GROWTH AND PROGRESS

The years immediately following World War II changed the entire economic trend of the nation. The people, deprived of many necessities by the stringent restrictions of all-out war, rushed to make up for lost time. Payrolls hit all time highs, and there was more money available for spending than the nation had ever known.

The inflationary condition created by this economic upheaval priced many items out of the 5, 10 and even 25¢ categories on which the low-priced variety store had flourished. The price sights of the mass consumer public had been lifted steadily. Higher priced items and increased selection were gaining favor with the buying public.

Recognizing this trend, your management along with the rest of the variety store industry, began a period of experimentation. Resulting expansion in merchandise lines never before sold in variety stores called for new merchandise techniques and display facilities. It was evident that conventional variety store facilities, particularly display fixtures, were inadequate to meet new requirements, and steps were taken to provide the Kress stores with merchandise and merchandising methods, which met the requirements of the times.

In 1952 the program of modernization and merchandise upgrading which had been developed during this period of experimentation, was accelerated.

Therefore, the first objective was the modernization of many of the stores. Working with store managers, district men, and building superintendents, each store was studied with a view to determining how its service to the community could be improved.

HOME FURNISHINGS

OILCLOTH – A WIDE CHOICE

The new merchandise lines could be presented most effectively only with improved display fixtures and equipment. Since that time a total of 93 of the 261 stores have been enlarged, modernized, or converted to self-service and ten new stores have been opened.

Of the 93 stores on which work has been completed, 28 stores have been enlarged and modernized and the merchandise facilities in 65 stores have been completely modernized. Seventy-nine of these stores are now operating as self-service units. The extensive remodeling and conversion work not only assured these stores vastly improved facilities for displaying merchandise, but also increased by more than one-fifth the sales area. Since 1952, selling display space was increased 568,150 square feet, or 22% more than was previously available in these stores.

Representative of what has been accomplished in store modernization are the

Kress stores on New York City's Fifth Avenue, San Francisco's Market Street; South Broadway, Los Angeles; Broad Street, Atlanta; Long Beach, Cal.; and in El Paso.

The store most recently modernized is the one on New York City's Fifth Avenue. Remodeling was completed just before Thanksgiving, in ample time for the Christmas rush. The public response was immediate and encouraging. This nine-story structure, including two complete selling basements, situated on the site of the old Wendell home, a New York landmark, was not only completely modernized in 1957, but the sales area was increased 60% by opening a fourth selling floor which is devoted exclusively to home-furnishing merchandise.

To facilitate access to the newly opened second floor and the basement selling area, escalators were installed. Ten stores having multiple selling levels have been similarly equipped since 1952, while the current building program provides for another seven stores having escalators installed.

The 20,000 square-foot second floor provides additional display space for such newly acquired home furnishing lines as chairs, tables, rugs, lamps, electrical appliances, radios and sewing machines.

ART FOR THE HOME

GLASSWARE FROM AROUND THE WORLD

In this store the shopper will find the widest variety of items to choose from—quality merchandise economically priced. The full range of the Kress restaurant and eating service is available at this store. A 50-foot refreshment counter has been installed on the street floor to accommodate those pressed for time. A soda and lunch counter in the basement services the not-quite-so-busy shopper, while the entire second basement is taken up by the cafeteria and the Pine Room, where a wider variety of food is available.

All food is prepared in a completely modern kitchen, while a fully equipped bakery supplies the rolls, pastry and other delicacies not only for the restaurants but for the recently installed bakery counter where these items are available to Kress customers.

The work on stores renovated required from two months to a year to complete. Despite the extent of the work, no store was completely closed at any time. Even though the stores were open, normal sales were understandably affected. Our experience shows that during the modernization of a store, sales will decline from 20% to 40%, depending on whether the store is being modernized or modernized and enlarged.

Commitments have been made and work is now in progress for the modernization and enlargement of 25 stores which should be completed during the early part of 1958. Thirteen of these stores are to be converted into self-service operations. All will be completely modernized.

Three new stores will also be opened during 1958, two of which replace stores

THE CHECK-OUT

FOR THE SHOPPERS' CONVENIENCE

where existing facilities were inadequate to meet the needs of customers.

Plans and specifications are now in progress for a number of other projects to be started during 1958.

Since 1952 continuing efforts have been put forth to increase the efficiency of store and office procedures by streamlining operations and reducing clerical requirements to a minimum. A considerable volume of work previously done manually is now being done through the use of modern tabulating equipment installed during 1957 at the New York office. The resulting reduction in expenses will be reflected in future company earnings. Efforts along these lines are being continued.

Our goal is to make Kress not only the most modern merchandising company in the variety industry, but to maintain and strengthen its earnings and financial structure as well.

MERCHANDISE

No aspect of variety store operation is more important than its merchandise. When the first Kress store opened for business in 1896, the retailer was dependent entirely upon the jobber, who assembled low priced merchandise and brought it to him. He bought what he thought he could sell.

Kress buyers have always sought out manufacturers, wherever located, to obtain new and improved sources of supply to meet the requirements of the buying public.

If the product offered was not available at a price the company felt would meet the mass pocketbook, we worked with the manufacturer to find ways and means of accomplishing that end. By following this principle, the 5¢ cup and saucer, an unheard-of price combination even in those days, became a reality in Kress stores and as the price range moved up, a child's dress could be bought for 25¢ and an aluminum tea kettle for 50¢.

This concept of merchandising which prevailed in the 5 and 10¢ Memphis store, still applies in each of your company's 261 stores now in operation.

The merchandise is much more varied and the price range has broadened to give the customer a wider selection. But the emphasis on quality merchandise at the lowest possible price remains the same.

Prior to 1947, the price limit at Kress stores was one dollar. In that year the price limit went to $1.98, and the following year new items were added to sell at

$2.98. Two years later, in 1950, the maximum selling price was increased to $5.98.

In 1952, merchandise lines were expanded at an accelerated rate to include higher priced items, which would give customers the wider range of merchandise they desired. Today, Kress stores sell many items ranging from bicycles, doll carriages, electric blankets, phonographs, cameras and serving carts at prices up to $39.95; also, electric sewing machines at $48.95 and power lawn mowers priced up to $59.95.

While price is a fundamental consideration in the selection of articles available in Kress stores, quality and value are the first requirements. If an item of the quality demanded by the Kress standard could not be obtained at what was considered an attractive price to the customer, then the Kress buyers developed with a cooperative manufacturer an article that was competitive. If after thorough investigation it was still impossible to obtain the item at an attractive price without a sacrifice in quality, then it was not included in the Kress line.

Throughout the years buyers for your company have kept in constant contact with sources of supply both here and abroad. Manufacturers have been eager to cooperate with their efforts to bring down prices within the Kress range. Out of these initial negotiations have grown associations that have lasted up to half a century.

Your company has developed many exclusive brands over the years such as its Elizabeth Post cosmetics. Household words in all Kress cities are Camille ladies' nylon hosiery, Lancelot men's wear and Scholastic school supplies. In addition, many nationally advertised brands are also to be found in Kress stores.

The candy department with its stainless steel frame glass cases, a Kress merchandising innovation, features the finest candies and cookies. To offer just a single example of the volume done by this department, your company sold, during four special sales alone in 1957, a total of 2,750,000 pounds of cookies, or 104 full freight carloads.

In addition to the traditional merchandise Kress stores also feature unusual items from all sections of this country and abroad. Fancy pottery from California, Western dungarees from Texas and wrought ironware from Georgia as well as attractively designed turkey platters from Italy, decanters from Sweden, hand-carved and painted wooden pictures from the Orient, are some of the items available to our customers. They offer ample proof of the thorough and determined efforts of your company's buyers to bring to our stores the greatest possible variety of unusual, as well as every day articles.

The expansion of the merchandise lines has called forth all the creativeness of

ELECTRICAL APPLIANCES

COSMETICS

your company's merchandising and display organization. The additional articles included in the Kress merchandise lines required an entirely new display approach. This objective was achieved through the development of new display fixtures and equipment to present merchandise most effectively and for customer convenience in shopping.

No discussion of merchandise would be complete without a word about our suppliers. Last year your company purchased from more than 5,700 concerns. Our suppliers have not only cooperated fully with suggestions made by Kress buyers but have constantly offered recommendations of their own.

Manufacturers are fully familiar with the rigid specifications and quality standards demanded in Kress merchandise. They also recognize the importance of producing such articles at a fair and equitable price. Together we have been able to offer in Kress stores, merchandise of a quality which it had been thought impossible to sell at the low price it is sold by your company's stores. For the support and cooperation which these suppliers have given us we are deeply appreciative.

Restaurant units are presently operating in 123 of your company's 261 stores. Eighty-three of these stores have complete lunch departments for everything from a quick snack to a complete meal. Last year seven complete lunch departments and two luncheonettes were opened as part of the modernization and enlargement of stores, while lunch facilities in five others were renovated and enlarged.

During 1958, lunch facilities will be opened in fourteen stores and in two others will be completely renovated and enlarged. Food service has become an increasingly important factor in your company's operations.

Nowhere is the insistence on high Kress standard greater than in the preparation and serving of food. Here the customer is assured the finest quality food at reasonable prices at all times.

KRESS, FIFTH AVENUE, NEW YORK CITY

LUNCH AT KRESS

PERSONNEL

No company is stronger than the men and women responsible for its operation. This is particularly true of an organization whose operations are as widely spread as are your company's, and the number of employes as great. Full and part time employes numbered more than 26,000 during 1957.

Our buying and administrative office in New York can and does offer guidance, but the practical application of any program depends for its ultimate success on the employes in the store operations.

The strength of your company over the years has been the Kress organization. Your company has long had a comprehensive training and educational program, designed to develop tomorrow's executives from the ranks of today's organization. This investment in youth has proven sound and continues to be a significant part of your company's operations.

The success of this effort is attested to by the fact that last year 41 employes celebrated their 25th anniversary with the company, bringing the total number who had a service record of a quarter century or more to 366. Another 1,428 employes have been with your company ten years or longer. As of the end of the year, out of a total of 11,704 stockholders, 961 were employes.

Your company has also recognized that a sense of security is essential for any man or woman to work at top efficiency. With that in view, a number of employe benefits have been established. All employes after they have one year of service receive a free group life insurance policy up to $2,000 in addition to which they may obtain, at a very low rate, up to $8,000 more, depending on annual earnings. A sickness and accident fund provides benefits for any one unable to work because of illness or accident. An employe retirement pension plan provides participating employes with a pension amounting to 1% of their earnings for each year of service up to a maximum of 35% at normal retirement age.

Vacations vary in length with years of service. Employes with one to four years service receive two weeks vacation. Those with 5 to 19 years, three weeks, and those who have been employed for 20 years or more, 4 weeks. Each year a Christmas bonus has been paid and in 1957 this amounted to $235,249. All employes receive a 10% discount on purchases.

Your management is proud of the loyalty and cooperation it has received from these thousands of men and women. It is to their initiative and support that your company owes a great part of its success. Your Board of Directors and officers take this opportunity of gratefully acknowledging this loyalty.

ASSETS

	December 31, 1957	1956
CURRENT ASSETS:		
Cash	$ 9,220,530	$ 11,658,106
U. S. Government securities, at amortized cost, which approximates market	—	5,460,703
Inventories of merchandise, including merchandise in transit, at lower of cost or market	33,601,326	30,125,279
Total current assets	42,821,856	47,244,088
OTHER ASSETS:		
Loans and advances to landlords and miscellaneous receivables	198,115	254,251
Prepaid insurance premiums, rents, etc.	930,241	1,094,286
Total other assets	1,128,356	1,348,537
CAPITAL ASSETS—at cost:		
Fixtures and equipment	31,841,058	27,571,337
Less—accumulated depreciation	16,983,537	16,289,391
	14,857,521	11,281,946
Buildings and improvements on leased properties	27,143,222	26,627,995
Less—accumulated amortization	12,893,441	12,505,117
	14,249,781	14,122,878
Land and buildings	68,522,809	62,903,438
Less—accumulated depreciation	18,908,350	17,337,861
	49,614,459	45,565,577
Total capital assets	78,721,761	70,970,401
	$122,671,973	$119,563,026

NOTE (1): At the end of the year there was outstanding to the president of the company an option, which can be exercised in whole or in part at any time prior to December 31, 1958, to purchase at $27.41 per share 5,900 shares of the company's common stock held in the treasury.

STATEMENT OF FINANCIAL CONDITION

LIABILITIES

	December 31, 1957	1956
CURRENT LIABILITIES:		
Accounts payable—trade creditors and merchandise in transit	$ 5,325,611	$ 3,496,378
Accrued salaries and expenses, and miscellaneous accounts payable	6,668,359	6,312,926
Federal taxes on income	6,445,267	7,899,661
Total current liabilities	18,439,237	17,708,965
CAPITAL:		
Common stock without par value — Authorized 2,678,787 shares, including 125,840 unissued shares reserved for sale to employes		
Issued—2,381,734 shares	49,710,193	49,710,193
Accumulated earnings retained for use in the business	54,641,060	52,262,385
Less—cost of 5,900 shares of common stock reacquired (Note 1)	118,517	118,517
	54,522,543	52,143,868
Total common stock and accumulated earnings	104,232,736	101,854,061
	$122,671,973	$119,563,026

NOTE (2): At December 31, 1957 the Company was obligated under 138 leases expiring after December 31, 1960 some of which require, in addition to the minimum rentals now being paid, payments of additional rentals based on sales, and payments of real estate taxes, maintenance and insurance. The aggregate amount charged against operations for the year 1957 under all leases was $3,051,000.

S. H. KRESS & COMPANY

STATEMENT OF EARNINGS

	Year Ended December 31, 1957	1956
SALES	$158,570,785	$167,635,545
Rental received from tenants	622,746	596,367
	159,193,531	168,231,912
Deduct:		
Cost of merchandise sold and operating expenses	140,678,947	147,697,184
Depreciation and amortization	3,168,457	2,850,579
Employes' retirement pension plans	651,947	557,775
Interest expense, etc. (net)	23,837	208,209
	144,523,188	151,313,747
EARNINGS BEFORE FEDERAL TAXES ON INCOME	14,670,343	16,918,165
Federal taxes on income	7,540,000	8,660,000
NET EARNINGS	7,130,343	8,258,165
Dividends paid (1957 — $2.00 per share; 1956 — $2.50 per share)	4,751,668	5,939,585
EARNINGS FOR THE YEAR RETAINED FOR USE IN THE BUSINESS	$ 2,378,675	$ 2,318,580

TO THE STOCKHOLDERS OF S. H. KRESS & COMPANY:

In our opinion, the accompanying statements present fairly the financial position of S. H. Kress & Company at December 31, 1957 and the results of its operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of these statements was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

New York, N. Y.
February 20, 1958

PRICE WATERHOUSE & CO.

DISTRIBUTION OF EARNINGS BEFORE FEDERAL TAXES

IN MILLIONS OF DOLLARS

RETAINED EARNINGS

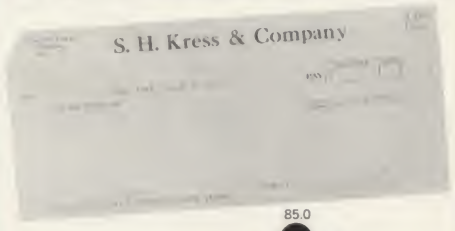
DIVIDENDS

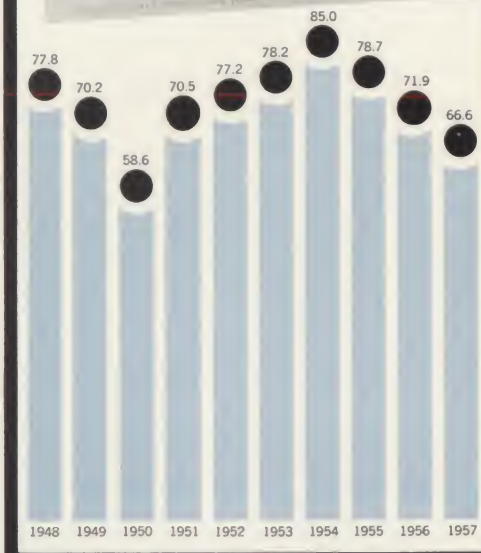
FEDERAL TAXES ON INCOME

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
RETAINED EARNINGS	2.844	2.993	4.992	2.957	2.086	1.971	1.255	1.930	2.319	2.379
DIVIDENDS	9.995	7.055	7.055	7.055	7.055	7.055	7.091	7.128	5.940	4.751
FEDERAL TAXES ON INCOME	7.800	6.100	8.900	10.100	9.950	9.880	9.100	9.250	8.660	7.540

NET EARNINGS—CENTS PER SALES DOLLAR

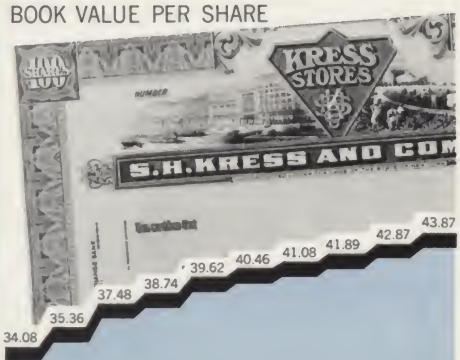
PER CENT OF DIVIDENDS TO NET EARNINGS

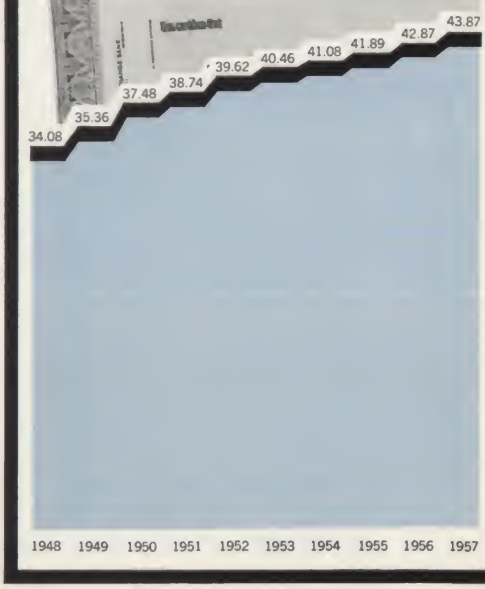


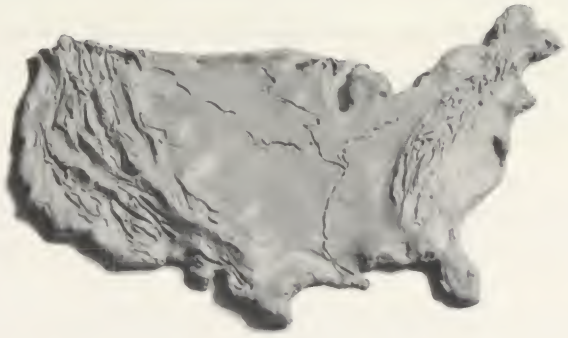


CAPITAL EXPENDITURES

BOOK VALUE PER SHARE







ALABAMA (13)	Anniston • Bessemer • Birmingham • Dothan • Ensley • Gadsden • Huntsville Mobile • Montgomery • North Birmingham • Prichard • Selma • Tuscaloosa
ARIZONA (5)	Douglas • Nogales • Phoenix • Tucson • Yuma
ARKANSAS (6)	Blytheville • Fort Smith • Helena • Hot Springs • Little Rock • Pine Bluff
CALIFORNIA (43)	Alhambra • Anaheim • Bakersfield • Berkeley • Calexico • El Centro Eureka • Fresno • Glendale • Hollywood • Huntington Park • Inglewood • Long Beach • Los Angeles (10) • Modesto • Oakland • Pasadena • Pomona • Richmond Riverside • Sacramento • Salinas • San Bernardino • San Diego • San Fernando San Francisco (2) • San Jose • San Pedro • Santa Ana • Santa Barbara • Santa Monica • Santa Rosa • Stockton
COLORADO (7)	Boulder • Colorado Springs • Denver • Grand Junction • Greeley • Pueblo Trinidad
FLORIDA (14)	Daytona Beach • Jacksonville (2) • Key West • Lakeland • Miami • Miami Beach Orlando • Pensacola • St. Petersburg • Sarasota • Tampa • West Palm Beach Ybor City
GEORGIA (14)	Albany • Americus • Athens • Atlanta (2) • Augusta • Brunswick • Columbus • La Grange • Macon • Rome • Savannah • Valdosta • Waycross
HAWAII (4)	Hilo • Honolulu • Lihue • Wailuku
IDAHO (3)	Boise • Idaho Falls • Pocatello
ILLINOIS (2)	Cairo • Rockford
KANSAS (13)	Arkansas City • Chanute • Coffeyville • Emporia • Fort Scott • Hutchinson • Independence • Iola • Lawrence • Parsons • Pittsburg • Salina • Wichita
KENTUCKY (3)	Ashland • Hopkinsville • Winchester
LOUISIANA (6)	Alexandria • Baton Rouge • Lake Charles • Monroe • New Orleans • Shreveport
MISSISSIPPI (8)	Biloxi • Greenville • Hattiesburg • Jackson • Laurel • Meridian • Natchez Vicksburg
MISSOURI (5)	Carthage • Jefferson City • Nevada • Trenton • Webb City
MONTANA (2)	Billings • Great Falls
NEW JERSEY (2)	East Orange • Summit
NEW MEXICO (2)	Albuquerque • Roswell
NEW YORK (5)	Hempstead • New York City (4)
NORTH CAROLINA (14)	Asheville • Charlotte • Durham • Fayetteville • Gastonia • Goldsboro • Greensboro • High Point • New Bern • Raleigh • Rocky Mount • Salisbury • Wilmington Winston-Salem
OHIO (1)	Youngstown
OKLAHOMA (15)	Ardmore • Bartlesville • Blackwell • Chickasha • Enid • Guthrie • Lawton McAlester • Muskogee • Oklahoma City • Okmulgee • Ponca City • Sapulpa Shawnee • Tulsa
OREGON (2)	Portland • Salem
PENNSYLVANIA (1)	Altoona
SOUTH CAROLINA (9)	Anderson • Charleston • Columbia • Florence • Greenville • Greenwood Orangeburg • Spartanburg • Sumter
TENNESSEE (9)	Bristol • Chattanooga • Elizabethton • Johnson City • Kingsport • Knoxville Memphis • Nashville (2)
TEXAS (37)	Abilene • Amarillo • Austin • Baytown • Beaumont • Brownsville • Corpus Christi Corsicana • Dallas (2) • Del Rio • Denison • Eagle Pass • El Paso • Fort Worth Gainesville • Galveston • Greenville • Harlingen • Hillsboro • Houston (3) Laredo • Longview • Lubbock • Paris • Port Arthur • San Angelo • San Antonio (2) Sherman • Texarkana • Tyler • Waco • Waxahachie • Wichita Falls
UTAH (3)	Ogden • Provo • Salt Lake City
VIRGINIA (1)	Roanoke
WASHINGTON (12)	Aberdeen • Bellingham • Bremerton • Everett • Seattle (4) • Spakane • Tacoma Wenatchee • Yakima

Total — 261 Stores in 29 States and the Territory of Hawaii

KRESS